## **REMARKS**

Claims 1, 3-7, 9-12, 14 and 16-18 are pending in this application. By this Amendment, claims 1, 3-4, 6-7, 9-10, 12 and 18 are amended. Various amendments are made for clarity and are unrelated to issues of patentability.

Entry of the amendments is proper under 37 C.F.R. §1.116 because the amendments: (1) place the application in condition for allowance; (2) do not raise any new issues requiring further search and/or consideration; and/or (3) place the application in better form for appeal, should an appeal be necessary. More specifically, the above amendments amend the claims for clarity. No new issues are raised. Entry is thus proper under 37 C.F.R. §1.116.

Applicants gratefully acknowledge the courtesies extended by Examiner Truong during the personal interview on February 5, 2008 with applicants' representative, Mr. Oren. The substance of the interview is incorporated in the following remarks.

The Office Action rejects claims 1, 3-7, 9-12, 14 and 16-18 under 35 U.S.C. §103(a) over U.S. Patent 6,707,774 to Kuroda et al. (hereafter Kuroda) in view of U.S. Patent 7,000,113 to Linnartz and U.S. Patent 7,002,710 to Van Liew et al. (hereafter Van Liew). The rejection is respectfully traversed with respect to the pending claims.

Independent claim 1 recites receiving an original media data set that includes a watermark, said watermark including a watermark type indicating whether said watermark is an original watermark generated by a media or content owner or is a secondary watermark generated by a media-playing device, a media owner identification information indicating a media owner and a first copy control information for managing and controlling a media data copying

process, said first copy control information being set to one of "copy freely", "copy one generation", "copy never", and "no more copies". Independent claim 1 also recites playing said original media data set only if said first copy control information is set to "copy freely" or "copy one generation", and embedding a player watermark into said played media data set if said first copy control information is set to "copy one generation", said player watermark including a second copy control information set to "no more copies" and player identification information including a model number and a unique serial number, wherein the second copy control information is derived from said first copy control information.

The applied references do not teach or suggest at least these features of independent claim 1. More specifically, Kuroda does not teach or suggest the watermark including a watermark type indicating whether the watermark is an original watermark generated by a media or content owner or is a secondary watermark generated by a media-playing device (and a media owner identification information and a first copy control information). Kuroda only teaches about "watermark" embedded on digital video information DP and analog video information AP. Kuroda does not teach about "watermark type" information. The Office Action appears to believe that Kuroda's "watermark type" information corresponds to the claimed features. However, a watermark and watermark type information are different. The "watermark type" information provides a player with information indicating whether an embedded watermark is an original watermark or is a secondary watermark.

Any alleged identification information of Kuroda merely indicates what kind of copy protection method is applied on the digital and analog video information and does not indicate

whether the watermark embedded in the digital and analog video information is an original watermark generated by a media or content owner or is a secondary watermark generated by a media-playing device. Applicants described these differences during the personal interview.

The present specification describes features of independent claim 1. For example, based on the "watermark type" information, a player can easily determine that media data is legal or not without parsing the embedded watermark itself. For example, if there are two or more original watermarks or two or more secondary watermarks embedded in media data, the player may determine the media data to be illegal and unplayable. See paragraphs [0020]-[0021] of the present application.

As discussed during the personal interview, Kuroda does not teach or suggest the "watermark type" information of independent claim 1. Rather, Kuroda's watermark, copy protection code and code based on CGMS merely indicate copy protection applied to digital video information DP and analog video information AP. See Kuroda's col. 7, lines 38-45. Kuroda does not indicate whether a watermark embedded in the digital and analog video information is generated by a media owner or a player. Furthermore, any alleged "type" in Kuroda relates to information identifying a type of recording medium. Thus, Kuroda does not teach or suggest a watermark type indicating whether the watermark is an original watermark generated by a media or content owner or is a secondary watermark generated by a media-playing device.

Kuroda does not teach all the features as alleged in the Office Action. The other applied references do not teach or suggest the missing features of independent claim 1. Thus, independent claim 1 defines patentable subject matter.

Independent claim 4 recites receiving an original media data set that includes a watermark, said watermark including a watermark type indicating whether the watermark is an original watermark generated by a media or content owner or is a secondary watermark generated by a media-playing device, a media owner identification information indicating a media owner and a first copy control information for managing and controlling a media data copying process, said first copy control information for indicating at least whether copying said original media data is permitted. Independent claim 4 also recites performing an operation according to whether said first copy control information indicates that said copying is permitted, and embedding a device watermark into said performed media data set and transferring said device watermark embedded media data set to an external device, said device watermark including a second copy control information derived from said first copy control information and a device identification information including a model number and a unique serial number.

For at least similar reasons as set forth above, the applied references do not teach or suggest all the features of independent claim 4. More specifically, the applied references do not teach or suggest said watermark including a watermark type indicating whether the watermark is an original watermark generated by a media or content owner or is a secondary watermark generated by a media-playing device. Thus, independent claim 4 defines patentable subject matter.

Independent claim 7 recites a copy control information analyzer analyzing a first copy control information included in a watermark embedded into an original media data set, said first copy control information being set to one of "copy freely", "copy one generation", "copy never", and "no more copies", wherein said watermark includes a watermark type indicating whether said watermark is an original watermark generated by a media or content owner or is a secondary watermark generated by a media-playing device and a media owner identification information indicating a media owner. Independent claim 7 also recites a playing element playing said media data set if said first copy control information is set to "copy freely" or "copy one generation", and a watermark generator embedding a player watermark into said played data set if said first copy control information is set to "copy one generation", said player watermark including a second copy control information set to "no more copies" and player identification information including a model number and a unique serial number, said second copy control information is derived from said first copy control information.

For at least similar reasons as set forth above, the applied references do not teach or suggest all the features of independent claim 7. More specifically, the applied references do not teach or suggest said watermark includes a watermark type indicating whether said watermark is an original watermark generated by a media or content owner or is a secondary watermark generated by a media-playing device. Thus, independent claim 7 defines patentable subject matter.

Independent claim 10 recites a copy control information analyzer analyzing a first copy control information included in a watermark embedded into an original media data set, said first

copy control information required for determining at least whether copying said original media data is permitted, wherein said watermark includes a watermark type indicating whether the watermark is an original watermark generated by a media or content owner or is a secondary watermark generated by a media-playing device and a media owner identification information indicating a media owner. Independent claim 10 also recites an operation element performing an operation according to an analyzed result of said copy control information analyzer, and a watermark generator embedding a device watermark into said performed media data set and transferring said device watermark embedded media data set to an external device, said device watermark including a second copy control information and device identification information including a model number and a unique serial number.

For at least similar reasons as set forth above, the applied references do not teach or suggest all the features of independent claim 10. More specifically, the applied references do not teach or suggest said watermark includes a watermark type indicating whether the watermark is an original watermark generated by a media or content owner or is a secondary watermark generated by a media-playing device. Thus, independent claim 10 defines patentable subject matter.

Accordingly, independent claims 1, 4, 7 and 10 define patentable subject matter. Each of the dependent claims depends from one of the independent claims and therefore defines patentable subject matter at least for this reason. In addition, the dependent claims recite features that further and independently distinguish over the applied references.

## **CONCLUSION**

In view of the foregoing, it is respectfully submitted that the application is in condition for allowance. Favorable consideration and prompt allowance of claims 1, 3-7, 9-12, 14 and 16-18 are earnestly solicited. If the Examiner believes that any additional changes would place the application in better condition for allowance, the Examiner is invited to contact the undersigned attorney at the telephone number listed below.

To the extent necessary, a petition for an extension of time under 37 C.F.R. 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this, concurrent and future replies, including extension of time fees, to Deposit Account 16-0607 and please credit any excess fees to such deposit account.

Respectfully submitted,

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